



2005 JUN -9 PM 3: 40

8028 Ritchie Highway  
Suite 308  
Pasadena, MD 21122  
www.gentiva.com

June 6, 2005

Mr. Robert E. Nicolay  
Chairman  
Maryland Health Care Commission  
4160 Patterson Avenue  
Baltimore, Maryland 21215

Dear Chairman Nicolay:

On behalf of Gentiva Health Services (Gentiva), the nation's largest comprehensive provider of homecare services, I am writing to express Gentiva's position regarding the current Certificate of Need (CoN). Gentiva serves patients throughout the State of Maryland in various counties through our Pasadena and Towson locations. We are supportive of the current CoN, if and only if, the CoN is enforced, agencies are consistently surveyed and all regulations are fair and equitable in their implementation.

As a national provider, Gentiva currently provides services in both states with and without CoNs. One of our main concerns has been the significant influx of providers in other states without the CoN. For instance, in the State of Florida, the CoN was eliminated as of July 1, 2000. While the CoN was in place, the State had approximately 20 new providers seeking a CoN each year. Since the elimination of the CoN, the number has increased five times to 120 a year. In real numbers, the State of Florida had, in May 2000, 330 certified home health agencies. In May 2005, the State now has 658 certified home health agencies. This reflects similar results in other States without a CoN. If you would like other instances, please let me know.

The increase in providers makes it very difficult to appropriately assure quality of services is being delivered to the patients needing care. There is also no oversight to ensure that the provider is a legitimate provider. At the same time, there is no review of access to services that shows the market needs additional providers.

As a result, Gentiva supports the CoN within the State of Maryland as long as the CoN is properly enforced. State officials need to ensure that the CoN has integrity and that providers are caring for the patients in their designated CoN area.

Gentiva Health Services

June 6, 2005

Page 2

It is also critically important that the integrity of the CoN is further supported by on-going and consistent survey review. The CoN should ensure that providers are being surveyed and reviewed in a timely manner and that they meet the CoN requirements.

And finally, Gentiva supports the CoN when regulations are implemented that are fair and equitable. In the past, there have been regulations that were implemented that were not reasonable. For instance, the CoN was recently modified in October 2003 to state that if an agency were acquired, the purchaser may only acquire the authority to offer home health agency services in jurisdictions in which Commission records show that the facility being acquired either provided that service during fiscal year 2001 or was granted a certificate of need after that date and based on annual reports. While this regulation does not seem to have an immediate impact on a home health agency, it does immediately imply that their CoN is no longer reflective of all of their original designated counties. We strongly urge that regulations be implemented that assure a fair and reasonable approach to CoN modifications.

The most important factor to Gentiva is assuring the quality and stability of homecare services to the patients and for the providers. If the Commission chooses to ultimately eliminate the CoN, Gentiva would strongly urge that a fair but strong homecare licensure be implemented. It should assure that those entering into the market meet certain standards and that quality of care is maintained even after they begin their new homecare business.

Gentiva is currently represented on the Maryland Department of Health and Mental Hygiene Task Force to review homecare licensure. As DHMH considers the reforming of the current homecare licensure, Gentiva hopes that the Department will seek strong quality control and appropriate oversight for our patients and for us.

In conclusion, Gentiva is eager to work with the Task Force on CoN regarding potential changes. We are also pleased to work with DHMH on the changes to the homecare licensure. Please feel free to call upon us if you should have any questions. I may be reached at 443-983-1705.

Sincerely,

*Sue Ellen Stuart /co*  
Sue Ellen Stuart  
Area Director